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2 **STATE OF CALIFORNIA**
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Leadpoint, Inc., dba Amerivalue
6 2045 S. Barrington Ave., Suite A
7 Los Angeles, CA 90025
8 and
9 11661 San Vicente Blvd., Suite 800
10 Los Angeles, CA 90049
11 and
12 www.leadpoint.com

13 **DESIST AND REFRAIN ORDER**

14 **(For violations of sections 23018, 23021, 23035, and 23037 of the Financial Code)**

15 The Commissioner of Corporations finds that:

16 1. Since September 8, 2008, Leadpoint, Inc., doing business as Amerivalue
17 (“Leadpoint”), has been licensed by the Commissioner of Corporations of the State of California
18 (“Commissioner”) to act as a deferred deposit originator. Leadpoint’s license number is 100-3684.
19 At all relevant times, Leadpoint’s licensed place of business was 11661 San Vicente Blvd., Suite 800,
20 Los Angeles, CA 90049.

21 2. On or about April 3, 2012, the Commissioner commenced a regulatory examination of
22 Leadpoint.

23 3. The regulatory examination revealed that Leadpoint was not making deferred deposit
24 transactions. Instead, from at least January 1, 2010 through at least March 31, 2012, Leadpoint acted
25 as an online marketplace for leads. Leadpoint’s website would allow advertisers, or unlicensed
26 deferred deposit originators, to bid on customer leads placed by publishers, or agents, on Leadpoint’s
27 website, www.leadpoint.com. Leadpoint would take a commission of about 25% of the amount paid
28 for each customer lead. Neither the advertisers nor the publishers assisted by Leadpoint are licensed
deferred deposit originators.

1 4. California Financial Code section 23037, subdivision (f), prohibits licensees from
2 doing the following: “Engage in any unfair, unlawful, or deceptive conduct, or make any statement
3 that is likely to mislead in connection with the business of deferred deposit transactions.”

4 5. By assisting unlicensed deferred deposit originators in buying customer leads from
5 publishers, Leadpoint engaged in unfair, unlawful, and deceptive conduct.

6 6. The regulatory examination also revealed that Leadpoint changed its address to 2045
7 S. Barrington Ave., Suite A, Los Angeles, CA 90025, without notifying the Commissioner.

8 7. California Financial Code section 23021, subdivision (a), provides: “If a licensee
9 desires to change its place of business to a street address other than that designated in its license, the
10 licensee shall give written notice to the commissioner at least 10 days prior to the change....”

11 8. The regulatory examination also revealed that Leadpoint did not conspicuously post its
12 deferred deposit transaction license on its website.

13 9. California Financial Code section 23018, subdivision (a), provides: “A license, along
14 with any currently effective order of the commissioner approving a different name pursuant to
15 Section 23023, shall be conspicuously posted in the place of business authorized by the licensee.”

16 10. The regulatory examination also revealed that Leadpoint did not post on its website
17 that a deferred deposit originator cannot use the criminal process against a customer. Leadpoint did
18 not post on its website a schedule of fees that would be charged on a \$100 and a \$200 deferred
19 deposit transaction, payable in 14 and 30 days, respectively, and give the corresponding annual
20 percentage rate.

21 11. California Financial Code section 23035, subdivision (d), provides, in pertinent part:
22 The following notices shall be clearly and conspicuously posted...:

23 (1) The licensee cannot use the criminal process against a consumer to collect any
24 deferred deposit transaction.

25 (2) The schedule of all charges and fees to be charged on those deferred deposit
26 transactions with an example of all charges and fees that would be charged on at
27 least a one-hundred-dollar (\$100) and a two-hundred-dollar (\$200) deferred
28 deposit transaction, payable in 14 days and 30 days, respectively, giving the
corresponding annual percentage rate.

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12. California Financial Code section 23050 provides, in pertinent part:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division.

Pursuant to Financial Code section 23050, Leadpoint, Inc., doing business as Amerivalue, is hereby ordered to desist and refrain from engaging in any unfair, unlawful, or deceptive conduct in violation of Financial Code section 23037, subdivision (f). Further, Leadpoint, Inc., doing business as Amerivalue, is hereby ordered to desist and refrain from violating Financial Code sections 23021, 23018, and 23035. This Desist and Refrain Order is necessary for the protection of consumers and consistent with the purposes, policies and provisions of the California Deferred Deposit Transaction Law (Fin. Code § 23000 et seq.).

Dated: May 30, 2013
Sacramento, California

JAN LYNN OWEN
Commissioner of Corporations

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division